

November 5, 1985

Mr. Thomas Sakowski  
Field Representative  
Division of Oil, Gas and Mining  
4241 State Office Bldg.  
Salt Lake City, Utah 84114

RECEIVED

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DIVISION OF OIL  
GAS & MINING

Dear Mr. Sakowski,

I have enclosed the information you asked for after your visit to the New Harmony property this past summer. Also included is the MR form 4 for the other claims that I had mentioned to you over the phone.

GHKP Associates is a group of four individuals of which myself and Robert Peden are a part. Richard Kennedy and Lee Goodrich are other parties concerned.

Richard Kennedy will be the party through whom future correspondence will be handled for the Nova claims. He is currently filing a permit request and reclamation plan with the Forest Service and is including a copy of the MR form 4 that we have sent you.

If you need any more information, please let me know.

Sincerely,

*Steven Hicken*

Steven Hicken  
Geologist  
Peden Engineering

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES AND ENERGY  
DIVISION OF OIL, GAS AND MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

DECLARATION OF EXEMPTION  
\*\*\*\*\*

(See Mined Land Reclamation Act 40-8-4[6].)

As provided for in Section 40-8-4, UCA 1953, I hereby declare an exemption from the "Utah Mined Land Reclamation Act," in that less than 500 tons of material is being mined or less than two (2) acres of land is being excavated or used as a disposal site during a period of twelve (12) consecutive months, from the following designated claims, leases or fee acreage.

NAME OF CLAIM, LEASE OR FEE ACREAGE	LOCATION			
	1/4, 1/4 SECTION	TOWNSHIP	RANGE	COUNTY
New Harmony	SE $\frac{1}{4}$ , NW $\frac{1}{4}$ sec 32	T37S	R13W	Iron

Commodity: precious metals ore

Date: November 4, 1985

Signature: Steven T. Hilden

OPERATOR: Peden Engineering

ADDRESS: 148 Ridge Rd. Cedar City Utah 84720

TELEPHONE: 586-3039

\*This form needs to be filed one time only. In the event more than the minimum size requirements are to be mined, a Notice of Intention to Commence Mining Operations and Mining and Reclamation Plan (MR Form 1) will need to be filed with this office, at least 90 days prior to the anticipated expansion.



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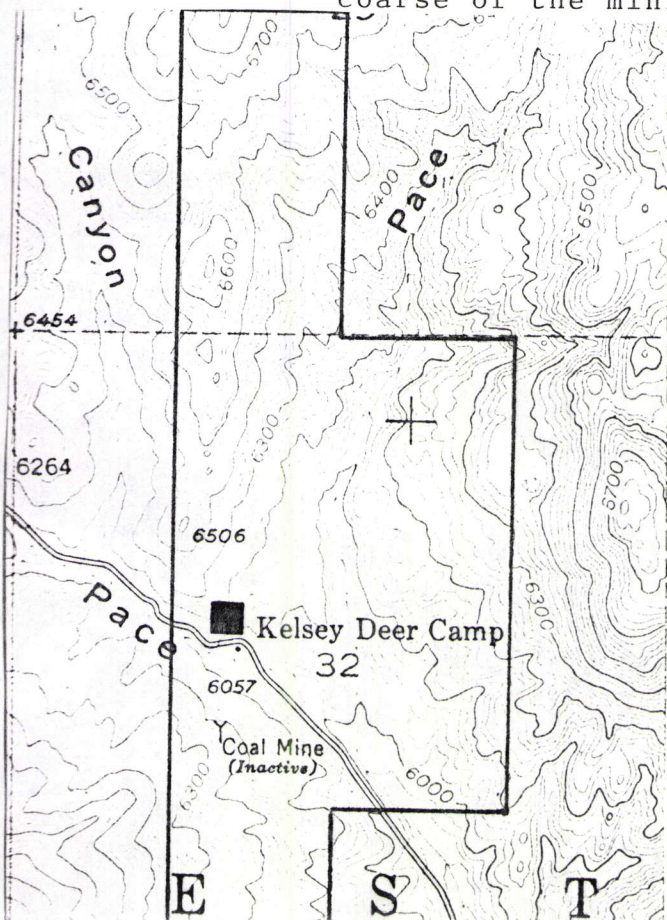
Subject: Peden Engineering permit request for mining activities at the New Harmony Mine under the Exemption Law.

Location: The 2 acres requested for excavation activities are located in the SE $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Sec 32 T37S R13W Iron County Utah.

Time Frame: Excavation will begin as soon as the permit is secured and will continue through the end of this year.

Reclamation: Areas impacted by the mining activities will be utilized in subsequent mining efforts in 1986. These include the excavation area at TR-5 and all test trenches currently on the property. A comprehensive reclamation plan (MR form 1) will be submitted to Oil, Gas and Mining in the summer of 1986 together with a Notice of Intention to Commence Mining Operations.

Coordination: The Forest Service, Washington Co. Road Dept. and the town of New Harmony have all been contacted and will be worked with closely through out the course of the mining activities.



■ - 2 acre excavation site  
(corresponds to TR-5)



### Sample Descriptions from TR-5

A-calcerious sandstone

B-mudstone

C-calcerious, fossiliferous mudstone

D-fossiliferous limestone(oyster coquina)

E-carboniferous unit(low grade coal with mudstone claystone intermixed)

F- " " " " " "

G- " " " " " "

H-carboniferous mudstone claystone

I-carboniferous unit

J-sandstone and calcereous sandstone

K-carboniferous unit

L- " "

M-carboniferous mudstone claystone

N-carboniferous unit

O-calcereous sandstone

